

SENATE MOTION

MADAM PRESIDENT:

I move that Senate Bill 260 be amended to read as follows:

- 1 Page 38, between lines 7 and 8, begin a new paragraph and insert:
2 "SECTION 31. IC 6-1.1-36-12 IS AMENDED TO READ AS
3 FOLLOWS [EFFECTIVE JANUARY 1, 2006 (RETROACTIVE)]:
4 Sec. 12. (a) **For purposes of this section**, a board of county
5 commissioners, a county assessor, or an elected township assessor may
6 enter into a ~~properly approved~~ contract for the discovery of property
7 that has been undervalued or omitted from assessment. The contract
8 must prohibit payment to the contractor for discovery of undervaluation
9 or omission with respect to a parcel or personal property return before
10 all appeals of the assessment of the parcel or the assessment under the
11 return have been finalized. The contract may require the contractor to:
12 (1) examine and verify the accuracy of personal property returns
13 filed by taxpayers with a township assessor of a township in the
14 county; and
15 (2) compare a return with the books of the taxpayer and with
16 personal property owned, held, possessed, controlled, or occupied
17 by the taxpayer.
18 (b) The investigation and collection expenses of a contract under
19 subsection (a) may be deducted from the gross amount of taxes
20 collected on the undervalued or omitted property that is so discovered.
21 **Subject to subsection (c)**, the remainder of the taxes collected on the
22 undervalued or omitted property shall be distributed to the appropriate
23 taxing units.
24 **(c) This subsection applies if funds are not budgeted for**
25 **payment of services performed under a contract described in**
26 **subsection (a). The county auditor may create a special**
27 **nonreverting fund in which the county treasurer may deposit the**
28 **net amount of taxes, including penalties and interest, that result**
29 **from additional assessments on undervalued or omitted property**
30 **collected from all taxing jurisdictions in the county. The fund**
31 **remains in existence during the term of the contract. Distributions**
32 **shall be made from the fund only for the following purposes:**

- 1 **(1) All refunds due to taxpayers as a result of the contract.**
2 **(2) All contract fees and other costs related to the contract.**
3 **(3) After the payments required by subdivisions (1) and (2)**
4 **have been made and the contract has expired, all money**
5 **remaining in the fund shall be distributed by the county**
6 **auditor to the appropriate taxing units in the county.**
7 ~~(c)~~ **(d)** A board of county commissioners, a county assessor, or an
8 elected township assessor may not contract for services under
9 subsection (a) on a percentage basis."
10 Renumber all SECTIONS consecutively.
 (Reference is to SB 260 as printed January 20, 2006.)

Senator KENLEY